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RIte Stats

Analysis of RIte Care Utilization Data

Rhode Island Department of Human Services
Center for Child and Family Health

Director's Message

Improving access to routine preventive and appropriate specialty care have been two of the top priorities of the RIte Care Program since its inception in 1994. Since that time, we have made a great deal of progress in setting up primary care networks in the State that can accommodate the medical needs of our members as well as their language, cultural and geographic needs. In fact, one of the things that makes RIte Care unique is that all our members have a "medical home" in the form of a primary care provider who can assure that appropriate health care services are available 24 hours a day, 7 days a week.

This issue of **RIte Stats** represents an initial overview of the utilization of ambulatory services in RIte Care from State Fiscal Year (SFY) 1997 to the present. These results provide encouraging information to those concerned about the adequacy of routine preventive care in the program and identify several areas where additional research is warranted.

Best regards,
Jane A. Hayward, Director
Department of Human Services

Ambulatory Professional Services in RIte Care

Background

The RIte Care Program offers members a comprehensive benefits package that includes both hospital and physician services as well as mental health and substance abuse treatment, prescription drugs and a set of "enhanced" services intended to reduce health risks. A new member can select a primary care provider (PCP) at the time of enrollment and Health Plans are required to assure that each new member has selected a primary care provider within 20 days of enrollment. The PCP is expected to serve as the member's primary contact for all health services including routine and acute care as well as specialist referrals (when necessary).

After members are connected with a PCP, the Health Plans are required to set up tracking systems to be certain that newborns are seen by their PCP within two weeks of hospital discharge, that all enrollees under age 21 receive routine preventive care in accordance with the State's early periodic screening, diagnosis, and treatment (EPSDT) schedule, and that high risk pregnant women receive timely and appropriate prenatal care. In addition, the program has several incentive programs to assure that all new members receive a visit with a PCP within 90 days of enrollment and that all continuously enrolled members receive appropriate routine care.

This issue of **RIte Stats** tracks the utilization of ambulatory services provided in the program from SFY 1997 through 2002 (i.e., July 1996 through June 2002). Quarterly rates per 1,000 members are followed over time for both PCP and non-PCP services and age-specific rates are calculated for services provided in SFY 2002. Next utilization rates for both PCP and non-PCP services are compared by Health Plan and

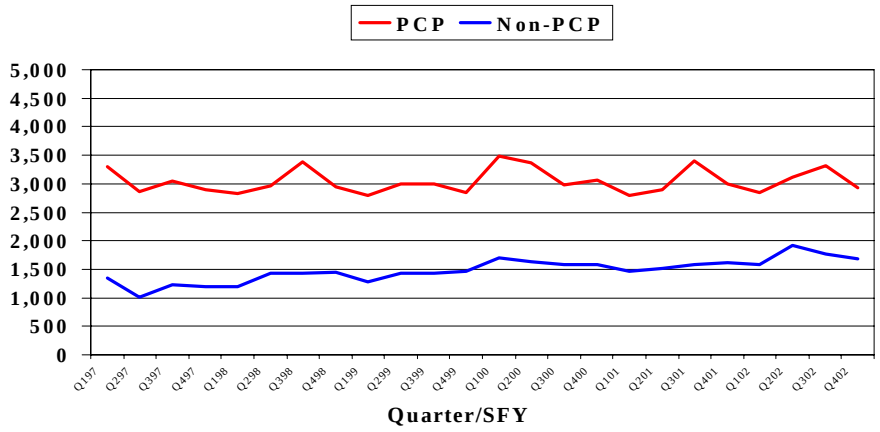
finally, the costs for outpatient evaluation and management services for SFY 2002 are compared for PCPs and specialists.

I. Ambulatory Visits by Quarter and Provider Type

Among the more important elements of good primary care are: first-contact, continuity, comprehensiveness, and coordination.[1] First-contact suggests not only that primary care providers be the first person with whom a patient can interact but also implies accessibility as well. In order to serve as the first-contact, the PCP has to be accessible 24 hours a day and 7 days a week. Continuity suggests accessibility over time, while comprehensiveness implies an ability to meet most of the patients medical needs. Finally, coordination implies an ability to advocate on the patient's behalf within the broader health care system.

Figure 1 illustrates ambulatory visit rates by quarter for PCPs and non-PCPs from SFY 1997 through 2002 (see Technical Notes for definition of PCP and non-PCP services). PCP utilization rates varied from about 3 to 3.5 visits per year per member (Figure 1 is illustrated in visits per 1,000 for comparability with other data sources) among all age groups in RIte Care, while non-PCP visits usually averaged about 1.5 visits per year. Combining both categories of visits, RIte Care members in aggregate received an average of about 5 outpatient visits, routine and acute, PCP and non-PCP, per year.

Figure 1. RIte Care Ambulatory Visits to Primary Care Providers (PCPs) and non-PCP Providers per 1,000 Members by Quarter (SFY 1997 through 2002)



Note: Quarterly rates have been annualized by multiplying by 4.

There is considerably more variation within the PCP category during the period under study than in the non-PCP category. PCP utilization had several peaks approaching 3.5 visits per year but has otherwise remained constant at about 3.0. Non-PCP utilization has not varied that much from quarter to quarter but has been increasing, almost imperceptibly, from about 1.0 visit per year during 1st quarter 1997 to almost 2.0 visits per year in 3rd quarter 2002.

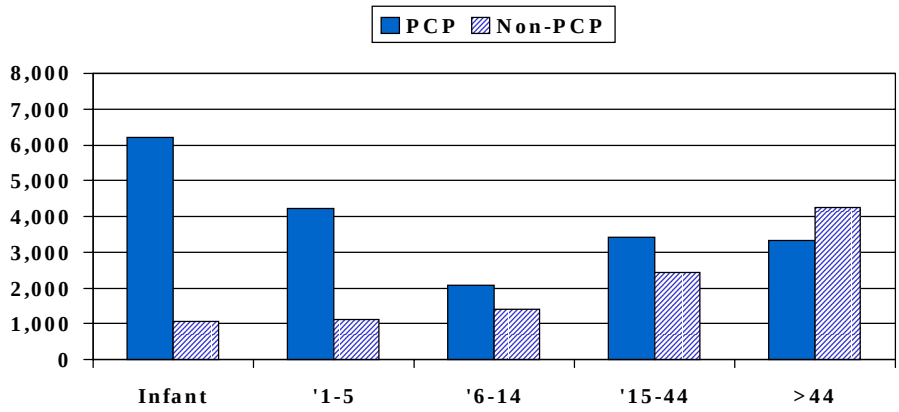
RIte Care utilization rates are somewhat higher than national general population rates which estimate about three and a half primary care physician visits per year per person. [2] However, it should be noted that these rates vary considerably by age and gender as well as other case mix factors. Given that the birth rate in RIte Care is much higher than national general population rates, this may account for much of the variation between RIte Care and national rates.

II. Ambulatory Care Utilization by Age

The current State EPSDT schedule calls for six routine visits with a PCP during the first year of life and three during the second year of life for members who had been continuously enrolled throughout the period. [3] Thereafter, children under 21 are recommended to receive one annual routine preventive visit. Similarly, adults are encouraged to receive an annual preventive visit and pregnant women who are continuously enrolled throughout their pregnancy should receive between 12-15 prenatal visits. [4]

Figure 2 shows the ambulatory utilization rates among RIte Care members during SFY 2002 by age group and provider type. Note that these rates include both routine and acute care for all enrollees regardless of length of enrollment, which should be taken into consideration when comparing these patterns to EPSDT schedules. Also note that Figure 2 includes both PCP and non-PCP services.

Figure 2. Ambulatory Visits per 1,000 Population by Age Group and Provider Type: Primary Care Providers vs. Non-PCP Providers
(SFY 2002)



Note: Prenatal care visits are included in PCP category

As expected, infants and children 1-5 had the highest ambulatory visit rates of all age groups in RIte Care. Infants averaged a little over 7 visits (PCP plus non-PCP) per year while children 1-5 averaged about 5. Also, not surprisingly, adults in the 15-44 age group (which includes prenatal care) averaged about 5.5 visits of all types per year.

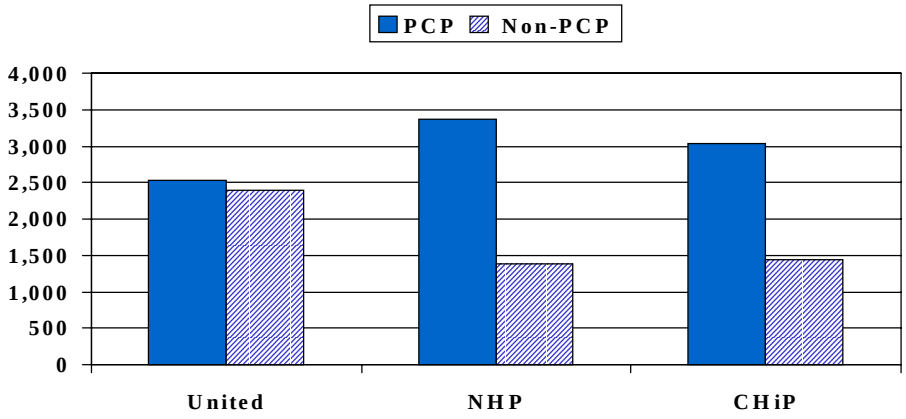
Utilization of non-PCP services appear to increase with age in RIte Care from just about 1 per year among infants and children 1-5 to over 4 per year in the over 44 age group. Moreover, non-PCP visits increase as a proportion of all outpatient services from one in seven among infants to over half in the over 44 age group.

III. Ambulatory Visits by Provider Type and Health Plan

Primary care physicians are trained to treat a broad range of conditions and, indeed, provide services for a substantial portion of chronic diseases in the United States. [5] Nationally, about 55% of outpatient services are provided by primary care providers while the remaining 45% are provided by non-primary care providers. [2] In RIte Care, overall about 60% of outpatient visits are provided by PCPs and 40% by non-PCPs but the proportions vary considerably by age group (as noted above) and by Health Plan (see Figure 3).

Each of the three Health Plans averaged about 4.5-5.0 ambulatory visits per year, but the distribution between PCPs and non-PCPs vary considerably from plan to plan. Neighborhood Health Plan of RI and Coordinated Health Partners had the largest PCP/non-PCP ratio (i.e., highest proportion of services provided by PCPs) with about 70% of outpatient services provided by PCPs. United Health Care of New England, on the other hand, was almost 50-50 in terms of PCP vs. non-PCP utilization.

Figure 3. Ambulatory Visits per 1,000 Population by Health Plan and Provider Type: Primary Care Provider vs. Non-PCP Provider
(SFY 2002)



Note: Prenatal care visits are included in PCP category

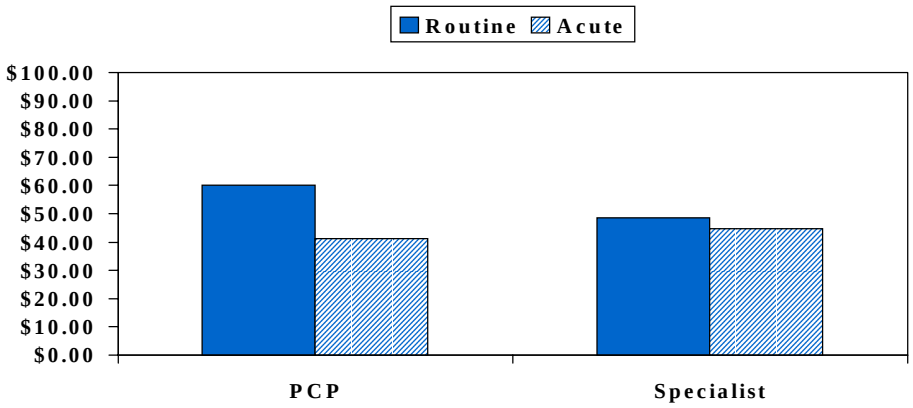
IV. Costs of Ambulatory Care

According to utilization data submitted by the Health Plans, the Health Plans paid a total of $33,388,071 for ambulatory professional services (exclusive of laboratory and other ancillary services) for RIte Care members during SFY 2002. These services included physician evaluation and management services (for acute and primary care) as well as office based surgical procedures, mental health and substance abuse treatment, ophthamology, and physical and occupational therapy. This works out to about $285 per member per year for outpatient professional services. National estimates from the Office of the Actuary with the Center for Medicaid / Medicare Services (CMS) on the population as a whole suggest that the country spends about $200 per capita on outpatient physician services. [2] (However, keep in mind the case-mix differences between RIte Care and national population estimates as noted earlier).

The RIte Care Program spent a total of $16,229,343 on evaluation and management visits for RIte Care members to PCPs and specialists (Figure 4). Average costs per visit were somewhat higher for PCPs than specialists for routine visits and about the same for acute care. The average cost of a routine visit with a PCP was about $60 compared to about $48 with a specialist. Acute care visits, on the other hand, were about $41 with a PCP and $44 with a specialist. (Note that we used the category "Specialist" here as opposed to non-PCP because we are comparing similar procedures-see Technical Notes).

Overall, the cost differential between PCP and specialist outpatient services is much lower than would be expected from national estimates,[4] especially among the rather broad range of services provided under evaluation and management codes. However, it should be noted that these results suggest parity in fee schedules within the Plans which apparently do not differentiate between specialty type. In any event, it is clear in RIte Care that specialists are not reimbursed at a significantly higher rate than PCPs when adjusting for type of service.

Figure 4. Average Cost for Evaluation and Management Visits by Visit Type (Acute vs. Routine) and Provider Type (SFY 2002)



Note: Total amount paid for Evaluation and Management visits during SFY 2002 was $16,229,343
Total outpatient professional fees equaled $33,388,071

Comment

Ambulatory visit rates in RIte Care vary between about 4.5 and 5.0 visits (routine and acute) per year per member for most of the history of the program. Approximately 60% of all RIte Care visits are provided by a PCP while 40% are provided by non-PCPs. Age-specific rates suggest that the RIte Care program is providing care at about the rate recommended by the State's EPSDT Periodicity Schedule of 6 visits per year for infants, 3 for children in the second year of life and 1 visit per year thereafter.

There were no remarkable differences among the various Health Plans in the overall number of visits provided per year. However, Neighborhood Health Plan of RI and Coordinated Health Partners both have PCP/non-PCP utilization ratios of about 70/30 while United Health Care of New England has a 50/50 split. Moreover, the differences in costs per visit between PCP and specialists were much smaller than expected.

Overall, RIte Care spent a total of $33,888,071 on outpatient services, $16,229,343 of which was for evaluation and management services with PCPs and specialists. The average cost of an ambulatory visit is somewhat higher for a routine visit with a PCP ($60 vs. $48) and roughly the same for an acute visit. Overall expenditures for all outpatient professional services averaged about $285 per member per year which is a little higher than national general population rates but within the expected range given the program's case-mix.

These results challenge the assumption that specialist care is considerably more expensive than PCP services when adjusting for case mix and type of service. However, further research is needed to assess the range of services provided by PCPs in the program as well as the type of services most commonly treated by specialists. Additional research might also look at the array of services provided by non-physician providers such as nurse midwives, nurse practitioners, and physician assistants. Moreover, additional research might look at the temporal relationship between PCP visits and visits to specialists.

References

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3. Rhode Island EPSDT Periodicity Schedule, RIte Care, RI Department of Human Services, Cranston, RI.
4. Gazmararian JA, Arrington TL, Bailey CM, Schwarz KS, Koplan JP. Prenatal care for low-income women enrolled in a managed-care organization. Obstet Gynecol 1999;94: 177-84.
5. Grumbach K, Bondenheimer, T. A primary care home for Americans. Putting the House in Order. JAMA 2002; 288: 889-893.

Technical Notes

Primary care provider services are defined as all visits provided by physicians with a specialty of family practice, general practice, pediatrics, ob/gyn general internal medicine, or a non-physician with a nurse practitioner, physician assistant, or nurse mid-wife specialty. All prenatal care is included in PCP services.

Non-primary care providers include all other specialties including ophthamology, mental health providers, as well as physical therapists and occupational therapists.

Outpatient Evaluation and Management codes are defined by Current Procedural Terminology (CPT) codes in the following ranges:

Acute Care:	99201-99215
Routine Care	99381-99429

Specialists services are those provided by a physician with a specialty other than those defined for PCPs.

The State Fiscal Year extends from July to June.

Program Description

RIte Care is the State of Rhode Island's managed health care program for families on Medicaid, uninsured families with incomes up to 185% of the Federal Poverty Level (FPL), uninsured pregnant women and children under 19 from families with incomes up to 250% of the FPL. Eligible individuals are enrolled in a managed care organization (Health Plan) which is paid a monthly capitation rate for providing or arranging health services for members. The program was designed to improve access to health care by providing each member with a "medical home" in the form of a primary care provider (PCP).

A comprehensive plan for evaluating RIte Care has been implemented by the Center of Child and Family Health. Health Plans are required to submit data to the State on all services provided to members each quarter. These files are edited extensively and become the foundation for most oversight and monitoring activities. In addition, data are periodically validated against claims and medical records. Other evaluation activities include, among other things, an annual member satisfaction survey, on-site review of Health Plan policies and procedures, selected focus groups and a variety of health outcomes research.

RIte Stats is a bimonthly publication of the Center for Child and Family Health and is intended to provide information to the public on the health care provided in the RIte Care Program. It is edited by Bill McQuade, MPH with support from the Center for Child Health staff. Comments and inquiries are encouraged and should be sent to:

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